

**EXHIBIT D – Supporting Affidavits Submitted by
NICOR Incorporated; Ameren CIPS;
Peoples Energy Service Corporation;
NewEnergy Midwest L.L.C.; and
Unicom Energy, Inc.**

EXHIBIT D

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY

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Petition for approval of implementation
of a market-based alternative tariff, to become
effective on or before May 1, 2000,
pursuant to Article IX and Section 16-112
of the Public Utilities Act.

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Docket No. 00-_____

**AFFIDAVIT IN SUPPORT OF COMMONWEALTH EDISON'S PROPOSED
ALTERNATIVE MARKET VALUE CALCULATION METHODOLOGY**

Koby Bailey, having been duly sworn, does depose and say as follows:

1. My name is Koby Bailey. I am the Director of Regulatory Planning of Nicor,
Incorporated.

2. I have participated in the Commission workshop process relating to the
development of an alternative to the neutral fact finder (NFF) process for establishing market
values as set forth in Section 16-112 of the Public Utilities Act. See 220 ILCS 5/16-112.

3. I have reviewed the petition to be filed by Commonwealth Edison (ComEd),
agree with the conclusions reached therein, and urge the Commission to expeditiously enter an
order placing ComEd's proposed tariff into effect no later than May 1, 2000.

4. In further support of the petition, I state that:

- i) A market-based transition charge and power purchase option is necessary for the
advancement of competition in Illinois. The Neutral Fact Finder process has failed to
reflect seasonality and peak and off-peak pricing within its market value determination.
The result has been market values, reflected through the current Power Purchase Option
(PPO) and Customer Transition Charge (CTC), significantly different from the price of

power available in the market. The artificially low PPO prices for this coming summer, combined with a relatively constrained power market will lead to many Retail Electric Suppliers (RESs) being forced to put a majority of their customers on PPO-NFF service. The current PPO-NFF, limits the flexibility of a RES to offer customers new services and pricing options. Thus, failure to implement ComEd's proposed alternative to the NFF derived market values will result in the elimination of significant choices for consumers over the next year.

- ii) ComEd's proposed alternative to the NFF appears to proxy prices of power in the over-the-counter market for competitive power. In the workshop process, several power marketers, both retail and wholesale, indicated that the prices or market values produced by the market index process were in the range of power contracts being executed in the over-the-counter market, as well as prices available on traded indices. Nicor Energy, LLC (Nicor Energy) conducted meetings with national-level power suppliers who also indicated that the prices produced in ComEd's market index proposal were relatively close to power prices that those companies could provide to a RES. Note that this is a significant change from the market values put forward in the PPO-NFF tariff, where, on a year-round, average rate, many power suppliers could not compete with the PPO-NFF rate.
- iii) The ComEd proposal offers several reasonable options for customers currently taking service from the PPO-NFF tariff and for RESs to source power to customers this summer. For instance, for PPO-NFF customers, ComEd offers the flexibility for a customer to stay on the PPO-NFF until its contract expires. This option allows the customer to avoid a "rate shock" associated with moving to a PPO price reflective of

summer power price for the summer of 2000. At the expiration of a customer's current PPO-NFF contract, the customer will be shifted to the Stub Period market values that do not reflect summer prices. In addition, for RESs, ComEd has offered two power sources to accommodate the need for firm supply for the summer of 2000. The first would be approximately a year-long contract with its price mirroring that of the market values for Period A. The second would be a summer contract mirroring the PPO-NFF market values. Nicor Energy considers these offers to be vital to fix the current PPO-NFF structure.

- iv) Another important feature of ComEd's proposed alternative to NFF-derived market values is the change to the CTC. Under the NFF, the annual CTC levels were relatively high as the market value failed to properly reflect: 1) future expectations of prices due to time lags inherent in the NFF process and 2) the seasonality inherent in the power markets. If the market value reflects real prices in the power markets, the CTC's cost will also properly reflect the power market. For Period A, under the ComEd proposal, CTCs will be reduced because the market values will reflect summer seasonality. That in turn allows RESs to be able to competitively source power or turn to one of ComEd's sourcing options to attract and retain customers.
- v) Furthermore, because PPO prices should begin to reflect market prices, under ComEd's proposal, the RESs should be better positioned to compete with against the PPO. RESs should find wholesale power providers able to cost-effectively provide power thereby increasing the competitive deliveries of power into and within the ComEd system. Ideally, the greater volume of power transactions will help spur the further development of spot, forward and future markets for power in the ComEd system.

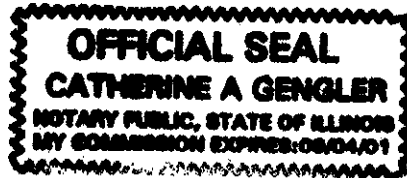
- vi) Finally, Nicor Energy recognizes the difficulty in implementing an alternative to the NFF process and commends the parties in the workshops for forming a workable solution to one of the key problems facing the development of a competitive power market in Northern Illinois.

FURTHER affiant sayeth not.

Kerry A. Baugh
[Name]

SUBSCRIBED and SWORN to
before me this 29 day of March, 2000.

Catherine A. Gengler
NOTARY PUBLIC
expires 8/4/01.



My commission

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY)	
)	
Petition for approval of implementation)	
of a market-based alternative tariff, to become)	Docket No.
effective on or before May 1, 2000,)	
pursuant to Article IX and Section 16-112)	
of the Public Utilities Act.)	

**AFFIDAVIT IN SUPPORT OF COMMONWEALTH EDISON'S PROPOSED
ALTERNATIVE MARKET VALUE CALCULATION METHODOLOGY**

Robert J. Mill, having been duly sworn, does depose and say as follows:

1. My name is Robert J. Mill. I am the Manager of the Regulatory Department for Ameren CIPS.

2. I have supervision over Ameren employees that have participated in the Commission workshop process relating to the development of an alternative to the neutral fact finder process for establishing market values as set forth in Section 16-112. See 220 ILCS 5/16-112. I have been informed of the concepts discussed in the workshops and am familiar with ComEd's proposal.

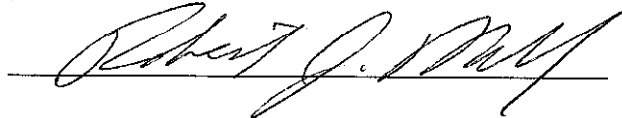
3. I have reviewed the petition to be filed by ComEd, generally agree with the conclusions reached therein, and urge the Commission to expeditiously enter an order placing ComEd's proposed tariff into effect as requested by ComEd.

4. Ameren supports ComEd's filing and in fact plans to modify Ameren's market value (MV) calculation so that our approach will be as similar to ComEd's as is feasible given differences in our relevant markets and operations. Ameren plans to file revised tariffs in the coming month to implement this approach.

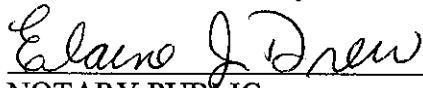
5. It is important to understand that while Ameren and ComEd will calculate MV very similarly, there will be differences between our proposals for the MV calculation and PPO service terms and conditions. Such differences are justified and will not diminish development of the competitive market. Ameren's proposal will use Into CInergy forward prices instead of Into ComEd forward prices in the calculation of its MV. Ameren expects to propose that its revised MV prices not take effect until January 2001. Lastly, translation of the index-based forward prices will be based on Ameren specific data.

There may be other differences that become apparent between the proposal set forth in ComEd's petition and the proposal which Ameren intends to file. However, despite these differences, Ameren expects to continue to support ComEd's request for the use of a market index-based tariff as an alternative to the neutral fact finder.

FURTHER affiant sayeth not.



SUBSCRIBED and SWORN to
before me this 31 day of March, 2000.



NOTARY PUBLIC

My commission expires 6-12-01



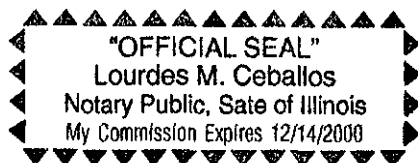
and market-based methods and available to support customers designated by the RES in accordance with specified procedures. A RES must be able to include any current customer that makes a timely election (i.e., on or before forty-five (45) days after the effective date of ComEd's filing as a designated customer receiving service as well as any new customers that the RES may acquire during the limited term of the wholesale power contract. Absent that offer, PE Services would not support ComEd's filing. Additionally, it is PE Services' understanding that a RES with the agency authority to enter into and amend agreements on behalf of the customer will be able to make, on behalf of the customer, the service elections provided for in ComEd's filing.

FURTHER affiant sayeth not.

Jan Gamboa
Jan Gamboa

SUBSCRIBED and SWORN to
before me this 30th day of March, 2000.

Lourdes M. Ceballos
NOTARY PUBLIC
My commission expires 12-14-2000.



STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY)	
)	
Petition for expedited approval of implementation)	
of a market-based alternative tariff, to become)	Docket No.
effective on or before May 1, 2000,)	
pursuant to Article IX and Section 16-112)	
of the Public Utilities Act.)	

**AFFIDAVIT IN SUPPORT OF COMMONWEALTH EDISON'S PETITION FOR
EXPEDITED APPROVAL OF A MARKET-BASED ALTERNATIVE TARIFF**

Charles C. Sutton, having been duly sworn, does depose and say as follows:

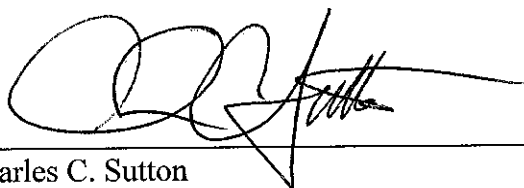
1. My name is Charles C. Sutton. I am the Vice-President – Illinois of NewEnergy Midwest, L.L.C. ("NewEnergy"), an Alternative Retail Electric Supplier providing services to retail electricity customers located in the service territory of Commonwealth Edison Company ("ComEd").

2. I have participated in the work-shop process supervised by the Illinois Commerce Commission ("Commission") relating to the development of an alternative to the Neutral Fact Finder process for establishing market values as set forth in Section 16-112. See 220 ILCS 5/16-112.

3. I have reviewed the petition to be filed by ComEd, draft tariff amendments and draft exhibits (excluding supporting testimony) and support ComEd's request that the Commission approve on an expedited basis a tariff amendment providing for an alternative market value calculation for an interim period not later than May 1, 2000.

4. Upon review of the petition as filed, together with all appendices, exhibits and supporting testimony, NewEnergy expects to file a Petition to Intervene and Affidavit in Support of ComEd's Petition not later than April 5, 2000.

FURTHER, affiant sayeth not.



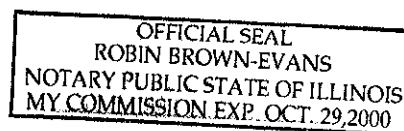
Charles C. Sutton

SUBSCRIBED and SWORN to
before me this 30th day of March, 2000.

Robin Brown-Evans

NOTARY PUBLIC

My commission expires 10/29/00.



ILLINOIS COMMERCE COMMISSION

Docket No. 00-

3. I have reviewed the petition to be filed by ComEd, agree with the conclusions reached therein, and urge the Commission to expeditiously enter an order placing ComEd's proposed tariff into effect no later than May 1, 2000.

Robert A. Gilpin
Robert A. Gilpin
Vice President and General Manager
Unicom Energy Inc.

SUBSCRIBED and SWORN to
before me this 30th day of March, 2000.

Brenda T. Kamcev
NOTARY PUBLIC
My commission expires November 18, 2003

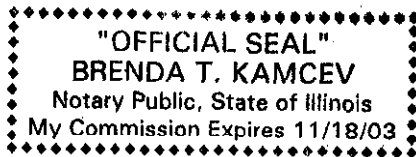


EXHIBIT E – Summary Description of Contingent Wholesale Offer

**Summary of Wholesale Offer Described in Petition for Expedited Approval
of a Market-Based Alternative Tariff**

Contingent on the Commission approving Rider PPO (Market Index) and revisions to Rider PPO (NFF) and Rate CTC, as proposed or with modifications acceptable to ComEd, ComEd will commit to offering a wholesale supply contract to RESs that would allow RESs, at their option, to purchase firm energy from ComEd Wholesale Energy Group at certain market values specified in the Commission-approved tariffs. This is explained further below. ComEd's commitment is limited to the following two options. The RES may choose a wholesale full requirements option for each retail customer not currently served under Rider PPO to which it supplies power and energy, and must choose the option that matches the customers' choice of market valuation and CTC methodology.

- a) RES may purchase firm energy from June 1, 2000 through May 31, 2001, at the same rates as in the proposed Rider PPO (Market Index) for specific customers by class, sufficient to serve the full requirements of selected retail customers of the RES in ComEd's service territory. RESs must designate specific customers through an initial selection prior to May 10, 2000 with ComEd supply to begin on June 1, 2000 for each designated customer, but RESs can add customers new to the RES afterwards. RES customers whose CTCs are switched to Applicable Period B in Jan 2001 billing period are also eligible for designation under this contract as of January 1, 2001. The customer will remain the RES's customer, but the RES will share metering data with ComEd such that customer's actual usage may be billed under this agreement. RESs will remain responsible for obtaining network transmission service, but the wholesale contract would qualify as a network resource.

or

- b) RESs may purchase firm energy sufficient to serve the full requirements of selected retail customers of the RES in ComEd's service territory from June 1, 2000 to September 30, 2000, at the same rates as in the current Rider PPO (NFF) for specific customers by class with supply to begin on June 1, 2000. RESs must designate specific customers through an initial selection prior to May 10, 2000 and these customers will remain on previously calculated CTCs through the Dec. 2000 billing period. These customers will be eligible for service under the market index option (option "a," above) as of January 1, 2001. The customer will remain the RES's customer, but the RES will share metering data with ComEd such that customer's actual usage may be billed under this agreement. RESs will remain responsible for obtaining network transmission service, but the wholesale contract would qualify as a network resource.

ComEd is offering this commitment in order to address concerns raised in the workshop process regarding the availability of power to retail suppliers at competitive prices over the short term as this proposal begins implementation. This offer is, however, contingent on the Commission finding that such offer is just and reasonable and is likely to promote the development of an effectively competitive electricity market.

EXHIBIT F – Draft Proposed Order

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY)	
)	
Petition for expedited approval of implementation)	
of a market-based alternative tariff, to become)	Docket No.
effective on or before May 1, 2000,)	
pursuant to Article IX and Section 16-112)	
of the Public Utilities Act.)	

DRAFT PROPOSED ORDER

By the Commission:

On March 31, 2000, Commonwealth Edison Company ("ComEd," "Edison," or "the Company") filed a petition for expedited approval of a market-based alternative tariff pursuant to Article IX and Section 16-112 of the Illinois Public Utilities Act (the "Act"). This petition was the product of a comprehensive workshop process, closely supervised by the Commission, in which interested parties actively participated. Workshops involving these parties were conducted under the Commission's auspices on February 23, 2000, March 8, 2000, March 14, 2000 and March 16, 2000, and a teleconference which allowed workshop participants to raise questions on a previously circulated draft of the petition was held on March 28, 2000.

Following the filing of ComEd's petition, pursuant to notice given in accordance with the law and the rules and regulations of the Commission, a hearing was held in this matter on April __, 2000 before duly authorized Hearing Examiners of the Commission at its offices in Chicago, Illinois. At the conclusion of the hearings, the record was marked "Heard and Taken."

I. Background

The Act was amended in 1997 by the "Electric Service Customer Choice and Rate Relief Law of 1997," which added Article XVI. Section 16-108 required utilities to file delivery

services tariffs with the Commission and authorized them to impose transition charges in conjunction with offering delivery services. A utility that imposes transition charges also is required under Section 16-110 to offer certain "power purchase options" ("PPO"). In order to calculate transition charges or establish prices for the PPO, a "market value" as defined in the Act must be established. Section 16-112 of the Act authorizes utilities to propose methodologies for calculating market values through tariffs that provide for a "determination of the market value for electric power and energy as a function of an exchange traded or other market traded index, options or futures contract or contracts applicable to the market in which the utility sells, and the customers in its service area buy, electric power and energy." 220 ILCS 5/16-112(a). In the absence of such an alternative methodology approved by this Commission, the market values to be used are those determined through a "neutral fact-finder procedure" ("NFF") that is set forth in Section 16-112(b)-(h). As detailed in its petition and testimony, ComEd is, in this proceeding, proposing a market-based methodology for determining market values to be used instead of the market values determined through the NFF process.

II. ComEd's Proposal

In support of its proposal, ComEd submitted testimony of Arlene Juracek, David Nichols, and Paul Crumrine. ComEd's proposal is based upon the use of market indices that reflect market values for the price of energy bought and sold in the "Into ComEd" hub.

A. Determination of Market Values

ComEd proposes that Into ComEd market values would be determined using forwards transaction prices along with bid/ask prices from transactions on AltradeTM and Bloomberg PowerMatch, two real time, online electronic trading exchanges which post Into ComEd forward market prices. These forwards prices would be used to quantify values for the peak period as this is the most volatile pricing period. Under this methodology, market values would be obtained twice a year, in March and June. Daily weighted average transaction prices, or when necessary "best market" bid/ask midpoints, would be recorded for each given forward delivery period. These daily "snapshots" would be averaged over a period of twenty consecutive business days ending March 22 and July 22 to arrive at estimated on-peak market prices for each of the two periods identified below.

Off-peak pricing would utilize historical day-ahead data from "Power Markets Week's *Daily Price Report*" published by McGraw-Hill for the most representative region for ComEd's service territory (currently Northern MAIN). The off-peak prices from "Power Markets Week's *Daily Price Report*" would provide monthly a range of values of historical prices based on day-ahead quotes. These quotes are based on surveys taken for transactions on weekdays. The simple average of low-high daily price quotes would be used to establish a monthly average price. Hourly prices would be developed for each monthly on-peak and off-peak period as described below.

B. Development of Hourly Price Shapes

ComEd proposes that Locational Marginal Price data from the 1999 PJM-West (Pennsylvania, New Jersey, Maryland) Interconnection be used to develop hourly price shapes for each monthly peak and off-peak period. According to ComEd, there already exist hourly PJM-West price data for the 8760 hours in 1999. By using an hourly price shape one can translate an average block price into hour-by-hour market values.

For each month in 1999, two scalars would be determined. The first monthly scalar ("Peak Scalar") is the ratio of the Peak Index for that month and the simple average of the hourly PJM-West prices in the same month for the hours from 6:00 a.m. to 10:00 p.m. from Monday through Friday, exclusive of North American Electric Reliability Council ("NERC") holidays. The second scalar ("Off-Peak Scalar") is the ratio of the Off-Peak Index for that month and the simple average of the hourly PJM-West prices in the same month for the hours from 12:00 a.m. to 6:00 a.m. and from 10:00 p.m. to 12:00 a.m. from Monday through Friday, exclusive of NERC holidays. For each month in 1999, each of the 8760 hourly PJM-West prices would be multiplied by one of these two scalars. Hourly prices for each month for the hours from 6:00 a.m. to 10:00 p.m. from Monday through Friday, exclusive of NERC holidays, would be multiplied by the respective Peak Scalar for that month. All other hours in each month would be multiplied by the respective Off-Peak Scalar for that month. At this point, the twelve values for the Peak Index and the Off-Peak Index will have been expanded and shaped into 8760 hourly prices based on the hourly shape of prices from the 1999 PJM-West price data. These resulting hourly prices would represent the system market values which correspond with typical system loads for the same periods.

In order to calculate prices that are applicable to the individual customer, transmission and distribution losses must be included. The effect of losses from the transmission and distribution systems would be accounted for by increasing the hourly price values. The 8760 hourly values would be increased to account for system energy losses on the transmission system as specified in ComEd's Open Access Transmission Tariff ("OATT"). Each hourly value would also be increased by one of the two monthly distribution loss factors applicable to that customer class. ComEd defines the appropriate distribution loss factor as either the peak period loss factor or the off-peak period loss factor, based on the definition of peak and off-peak periods contained in ComEd's retail tariffs. Next, the hourly price values (after this adjustment for transmission and distribution losses) would be load-weighted by multiplying each hourly value times the corresponding class hourly load from 1999. The hourly results of this multiplication would be summed for each of four time periods -- summer peak and off-peak and nonsummer peak and off-peak -- and divided by the sum of class loads for the corresponding hours to determine the seasonal time of use MVECs for that customer class. The Summer period in the calculation encompasses the months of June, July, August and September, while the Nonsummer period contains the eight other months. The peak period is defined as 9:00 a.m. through 10:00 p.m.,

Monday through Friday excluding certain holidays, and the off-peak Period is defined as all other hours. Likewise, seasonal non-time of use MVECs would be determined for each of the two seasons for each customer class by performing the operation using all hours in each season. In addition, a single load weighted annual average market value would be determined for each customer class by making the calculation using all of the hours in the year.

ComEd states that all MVECs as well as the load weighted average market value (LWAMV) would include the adjustment for sales and marketing costs and the adjustment for uncollectibles for each customer class that was approved by the Commission in Docket No. 99-0117. The end result of this process will be the determination of market values for each customer class in which the hours of highest expected prices are weighted by the usage in those same hours. ComEd stated that these price shapes should provide a very accurate means to approximate each customer class' load weighted hourly market values, i.e., the average cost of expected usage. Also the hourly load-weighted market values would allow for flexibility to determine each customer class' average cost for different period definitions (for designated loads, e.g., 13 hour versus 16 hour peak periods).

ComEd will determine MVECs, LWAMVs, and associated CTCs twice each year. In mid-March of each year, values would be established for June of the current year through May of the following year. Additional values would be established in June of each year for September through May of the following year. The newly established values would be reflected in new PPO rates and transition charges for periods going forward. The second set of prices would apply only to customers first electing Delivery Service during those months. Thereafter in June of each year, all Delivery Service customers would be subject to new market values, determined the previous March, that would then apply for the next twelve months.

Thus, there will be two separate periods for each year, Applicable Period A and Applicable Period B. Applicable Period A will cover a twelve month period starting with the June billing month and continuing through the following May billing month. Applicable Period B will cover a nine month period starting with the September billing month and continuing through the following May billing month. Beginning with the initial effective date of Rider PPO MI, customers that commence to take delivery services in the billing months of May, June, or July (i.e., first bills in the June, July, or August billing months) would pay CTCs determined for Applicable Period A. Such customers would then be subject to CTCs determined for each subsequent Applicable Period A as long as the customers continue to receive delivery service. Beginning with the initial effective date of Rider PPO MI, customers that commence to take delivery services in the billing months of August through April (i.e., first bills in the September through May billing months) would pay CTCs determined for Applicable Period B. At the end of that period, such customers will then be subject to CTCs determined for each subsequent Applicable Period A as long as the customers continue to receive delivery service.

The updated MVECs, LWAMVs, and CTCs will be filed with the Commission for informational purposes on the first business day on or after April 1st for Applicable Periods A and the first business day on or after July 1st for Applicable Periods B. The MVECs, LWAMVs, and associated CTCs for each customer class submitted in Exhibit B, Attachment 4 attached to ComEd's petition would be the actual MVECs, LWAMVs, and associated CTCs for each customer class to be used during the first Applicable Period A beginning in 2000.

ComEd proposes that Rider PPO MI become effective on May 1, 2000. An effective date of May 1 will allow the terms of the rider and the associated CTCs to apply for the entire June 2000 billing period which begins for certain customers as early as May 1 based on ComEd's meter reading schedule.

ComEd also proposed various transitional provisions in both its tariffs and testimony. To implement its methodology, ComEd submitted tariff language for a new tariff Rider PPO-Power Purchase Option (Market Index) and revisions to its Rider PPO NFF and Rate CTC. ComEd asked for permission to place these tariffs in effect by May 1, 2000.

C. Benefits of Proposal

ComEd states that its alternative market-based methodology is preferable to the NFF process for several reasons. First, ComEd states that its methodology produces reasonably accurate market values based on forward quotes from two different sources to determine on-peak market values, and recent historical price data to calculate market values for the less volatile off-peak period. In contrast, many parties believe that the market values in the NFF process are less accurate because they are based on an administrative process that utilizes older contracts, some of which have multi-year terms. Second, ComEd states that its proposal is objective and not subject to manipulation because it uses many different forward prices, and that any motivation to manipulate the forward market by making artificially high or low bids or offers is removed by the ability of any other party to counter with low or high offers or bids. In contrast, the NFF methodology is based on a relatively small number of contracts which may comprise limited observations of market expectations. Third, the price data used in ComEd's alternative market-based methodology is easily accessible to all market participants at a nominal cost, and the calculations required to estimate market values are straightforward. In contrast, the NFF process involves judgments regarding contracts to be included and the treatment of these contracts, virtually making the determination of market values a "black box." Finally, ComEd states that the "Into ComEd" electricity market has made significant developmental strides in the past few years, such that the market can provide significant information on actual transactions. In particular, Altrade™ and Bloomberg have recently begun to administer forward markets in this control area. In contrast, NFF-based market values appear to be based on an unrepresentative and outdated set of transactions involving very few megawatt hours.

D. Wholesale Offer

Responding to concerns raised during the workshops and in order to assure all market participants concerning the integrity of the alternative methodology, ComEd proposes to offer to all retail electric suppliers serving retail load in ComEd's territory, for a limited time, a wholesale full-requirements service priced at the market values determined using the Commission-approved NFF and market-based methodologies. Energy under this offer would be as firm as native load. ComEd provided, for information purposes, a summary of this proposal. ComEd asserts that this offer should ensure that the alternative methodology is accurate and fair to all market participants. ComEd further asserts that this offer will promote competition by giving comfort to all market participants that the CTC and PPO are set at appropriate levels. This offer is contingent upon a Commission finding that ComEd's offer in conjunction with its proposed alternative market-based methodology is just and reasonable and would promote the development of an effectively competitive electricity market that operates efficiently and is equitable to all consumers.

III. Other Parties' Positions

Several parties have submitted affidavits supporting ComEd's proposal.

IV. Commission Analysis and Conclusions

The Commission finds, based on all of the evidence and arguments presented in this proceeding, that ComEd's alternative methodology for calculating market values is reasonable and appropriate for use in ComEd's service area and an improvement over the existing NFF methodology. The use of publicly available data provides visible and current price signals for market participants, promotes development of competition among retail suppliers, and enables both customers and suppliers to forecast future market values. The proposed tariff revisions should be placed into effect by May 1, 2000. The wholesale offer provides us with assurance that the market-based alternative proposal will be fair to all concerned. The Commission further finds that this offer is consistent with and would promote the development of an effectively competitive market in ComEd's service territory that operates efficiently, is equitable to consumers, and is just and reasonable.

To ensure that the market-based methodology proves reasonable in the future, we direct ComEd to prepare an annual report, due on or before the date of this order each year, demonstrating that the alternative methodology reflects actual market conditions.

V. Findings and Ordering Paragraphs

The Commission, having considered the record in this proceeding and being fully advised in the premises, is of the opinion and finds that:

- (1) Commonwealth Edison Company is an Illinois corporation engaged in the business of furnishing electric service in the State of Illinois, is a public utility within the meaning of Section 3-105 of the Public Utilities Act, and an electric utility as defined in Section 16-102 of the Public Utilities Act;
- (2) Section 16-112 of the Public Utilities Act specifically authorizes utilities to utilize, with Commission approval, an alternative methodology for setting the market value used in calculating the CTC and PPO;
- (3) on March 31, 2000, ComEd filed a petition for approval of an alternative methodology for calculating market values pursuant to Article IX and Section 16-112 of the Public Utilities Act;
- (4) the Commission has jurisdiction over the parties hereto and the setting of market value pursuant to Section 16-112 of the Public Utilities Act;
- (5) the Commission has carefully considered all of the evidence submitted in this proceeding, and has actively supervised the conduct of the workshops that preceded it;
- (6) the Commission's findings of fact set forth in the prefatory portions of this Order are supported by the evidence and are hereby adopted as findings of fact;
- (7) the testimony and exhibits admitted into the record support ComEd's alternative methodology for calculating market values and a finding that ComEd's offer of a wholesale requirements contract is just and reasonable and would promote the development of an effectively competitive electric market that operates efficiently and is equitable to all consumers;
- (8) ComEd's alternative methodology for calculating market values complies with the requirements of Section 16-112 of the Public Utilities Act;
- (9) ComEd shall file its tariffs incorporating the alternative market-based methodology at the close of this proceeding, to become effective May 1, 2000. Because the Commission has approved ComEd's alternative market-based methodology for 2001, any market values determined in the NFF process for the year 2000 shall not apply to ComEd upon the effective date of its tariff.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the alternative methodology for calculating market values proposed by Commonwealth Edison Company is approved, and the proposed tariff revisions reflecting the methodology should be filed by ComEd to become effective May 1, 2000.

ComEd Exh. F
Dkt. No. 00-_____

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is subject to the Administrative Review Law.

By Order of the Commission this _____ day of _____, 2000.

(SIGNED) RICHARD L. MATHIAS

Chairman

(S E A L)